Losses to FCI

2353. SHRI J. P. GOYAL: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether Government are concerned over the losses being suffered by the Food Corporation of India;

(b) the accumulated loss of the Food Corporation of India as on the 31st March, 1987;

(c) what are the main reasons for which the Food Corporation of India has been incurring losses year after year;

(d) whether Government have appointed any Committee to look into the working of the Food Corporation of India; and

(e) if so, what are the details in this regard, what are the observations and suggestions of the Committee and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) and (c) The Government and the Corporation have taken a number of steps to reduce the transit and storage losses of foodgrains suffered by FCI on account of vagaries of weather, deterioration in quality due to long storage, theft and pilferages and spillage during multiple handling at different stages. As a result, these losses have been brought down successively during the last three years from 2.37 per cent in 1982-83 to 1.62 per cent during 1985-86. The accounts for 1986-87 have not been finalised yet.

(b) FCI handles foodgrains on behalf of the Government on 'no-profit no loss' basis. The difference in the economic cost and issue prices is reimbursed to the Corporation as food subsidy, which was Rs. 2000 crores during 1986-87.

(d) Yes, Sir.

(e) Some of the important recommendations of the Committee for bringing efficiency and economy in the operations of the FCI are briefly as under:

(i) Government may provide funds to FCI for maintenance of buffer stocks.

(ii) Rationalisation of movement and reducing incidence of freight.

(iii) Reduction in the strength of labour.

(iv) Closure of uneconomical godowns and purchase centres.

(v) Fixation of norms for unavoidable transit and storage losses.

(vi) Intensifying surprise checks at depots.

(vii) Fixation of responsibility on officers for lapses.

(viii) Simplification of depot accounts.

Most of the recommendations of the Committee have been implemented.

Appointment of PAs to the post of deputy Manager in FCI

2354. SHRI RAFIQUE ALAM: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Private Secretaries to the Chairman and Managing Director in the Food Corporation of India are simultaneously holding the posts of Deputy Managers;

(b) whether the status of these posts have recently been upgraded from Assistant Managers to Deputy Managers and if so, what are the reasons therefor;

(c) whether it is a fact that as a result of their upgradation from Assistant Managers to Deputy Managers the prospects of other persons have been adversely affected;

(d) whether as a matter of policy the persons upgraded to the posts of Deputy Managers are immediately posted outside Delhi; and

(e) if so, what are the reasons for not following the above policy of Government in these cases?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) Only the Private Secretary to the Chairman is in the cadre of Deputy Manager.